



Vale invests in natural gas exploration

Rio de Janeiro, January 22, 2009 – Companhia Vale do Rio Doce (Vale) informs that it is negotiating with Woodside Energia Investimentos em Exploração de Petróleo Ltda (“Woodside”) the acquisition of half of its stake in the consortium BM-S-48 and BM-S-55, formed to explore natural gas in the Santos Basin, Brazil.

The consortium, currently composed by Repsol YPF (40%), Petrobras (35%) and Woodside (25%), includes the Panoramix exploration well, where evidences of hydrocarbon were found. The acquisition is pending on the approval of the Brazilian regulatory agency for the oil and gas industry, Agência Nacional de Petróleo, Gás Natural e Biocombustíveis (ANP).

The exploration of energy sources, including natural gas, is part of Vale’s strategy of diversification and optimization of our energy matrix, aiming to reduce costs and mitigate risks.

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This press release may include declarations that present Vale's expectations in relation to future events or results. All declarations, when based upon future expectations and not on historical facts involve various risks and uncertainties. Vale cannot guarantee that such declarations will come to be correct. These risks and uncertainties include factors related to the following: (a) countries where we operate, mainly Brazil and Canada; (b) global economy; (c) capital markets; (d) iron ore and nickel businesses and their dependence upon the global steel industry, which is cyclical by nature; (e) high degree of global competition in the markets which Vale operates. To obtain further information on factors that may give origin to results different from those forecasted by Vale, please consult the reports filed with the Brazilian Securities and Exchange Commission (CVM), the Autorité des Marchés Financiers (AMF), and with the U.S. Securities and Exchange Commission (SEC), including the most recent Annual Report - Vale Form 20F and 6K forms.